

## Message Text

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PAGE 01 PEKING 00457 170431Z

17

ACTION EA-09

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

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STR-04 CEA-01 PA-01 PRS-01 SAM-01 SAJ-01 CU-02 OES-03

INT-05 /096 W

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R 170404ZUMAR 76

FM USLO PEKING

TO SECSTATE WASHDC 5311

INFO AMCONSUL HONG KONG

C O N F I D E N T I A L PEKING 457

E.O.11652: GDS

TAGS: PINT, ECON, CH

SUBJECT: PEKING PRESS CRITICISMS OF CAPITALIST ROAD FOREIGN TRADE  
POLICY

REF: HONG KONG 2953

1. THOUGH A MINOR THEME, CRITISM BEARING ON THE  
PRC'S FOREIGN TRADE POLICY HAS NOT BEEN TOTALLY  
ABSENT FROM PEKING PRESS ATTACKS ON ALLEGED POLI-  
CIES OF THE "CAPITALIST ROADERS." THIS CRITICISM  
SUGGESTS RENEWED QUESTIONING OF THE TERMS ON WHICH  
IMPORTS OF TECHNOLOGY AND EQUIPMENT ARE ADVANTAGEOUS  
TO THE PRC.

2. A SIGNED ARTICLE BY AN OFFICIAL OF TSINGHUA  
UNIVERSITY IN THE MARCH 5 PEOPLE'S DAILY CHARGED  
THAT THE "UNREPENTANT CAPITALIST ROADER'Z CALL  
TO GO ALL OUT FOR THE FOUR MODERNIZATIONS ENTAILED  
A SCHEME TO, AMONG OTHER THINGS, "CHANGE CHINA INTO  
IMPERIALISM AND SOCIAL-IMPERIALISM." ON MARCH 10,  
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THE DATE OF THE PEOPLE'S DAILY EDITORIAL ON THE ANTI-RIGHTIST STRUGGLE, A CHANG KO ARTICLE IN KUANGMING DAILY MADE THE FOLLOWING RATHER MORE PRECISE ACCUSATION: "THE UNREPENTANT CAPITALIST ROADERS WITHIN THE PARTY OPPOSE THE GUIDELINES OF INDEPENDENCE AND SELF-RELIANCE, AND CRAWL ON THEIR KNEES AT A SNAIL'S PACE BEHIND THE FOREIGN BOURGEOISIE, SAYING 'ADVANCE ON THE BASE THAT OTHERS ALREADY HAVE,' THEY WANT TO RELY ON BRINGING IN ADVANCED TECHNOLOGY, AS 'ONLY THUS CAN WE RAPIDLY CHANGE CHINA'S BACKWARDNESS.' THEY EVEN GO SO FAR AS NOT TO CARE IF THEY SELL OUT CHINA'S SOVEREIGNTY OVER ITS NATURAL RESOURCES TO THE WESTERN BOURGEOISIE IN EXCHANGE FOR FOREIGN TECHNOLOGY AND INSTALLATIONS, AND VIVIDLY DISPLAY THE UGLY FACE OF 'RED COMPRADORES.'" CHINESE READERS COULD INFER THE CHARGE THAT TENG AND OTHERS ADVOCATED WESTERN PARTICIPATION IN JOINT PRODUCTION OF CHINESE MINERALS, INCLUDING OIL, IN EXCHANGE FOR A SHARE OF THE OUTPUT; MORE PROBABLY IT IS AN ALLUSION TO THE PRC'S EFFORTS TO WORK OUT LONG-TERM AGREEMENTS FOR EXPANDING OIL EXPORTS TO JAPAN IN RETURN FOR JAPANESE STEEL AND TECHNOLOGY.

3. SUCH CRITICISM RECALLS SOME MADE IN 1974 (SEE, FOR EXAMPLE, 1974 HONG KONG 4569) IN SEEMING TO WANT STRICTER ADHERENCE TO THE POLICY OF SELF-RELIANCE, AND HENCE LESS EMPHASIS ON FOREIGN TRADE, AS A MEANS OF PROMOTING CHINA'S ECONOMIC DEVELOPMENT. THUS FAR IN THE PRESENT CAMPAIGN SUCH CRITICISM, OCCURRING IN ONLY ISOLATED INSTANCES, IS NOTHING TO GET EXCITED ABOUT. IT DOES, HOWEVER, BEAR WATCHING. THAYER

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\*\*\* Current Handling Restrictions \*\*\* n/a  
\*\*\* Current Classification \*\*\* CONFIDENTIAL  
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## Message Attributes

**Automatic Decaptioning:** X  
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**Current Classification:** UNCLASSIFIED  
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**Decaption Date:** 01 JAN 1960  
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**Disposition Approved on Date:**  
**Disposition Authority:** KelleyW0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Disposition History:** n/a  
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**Reference:** 76 HONG KONG 2953  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** KelleyW0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 MAY 2004  
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Margaret P. Grafeld  
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EO Systematic Review  
04 MAY 2006

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**Subject:** PEKING PRESS CRITICISMS OF CAPITALIST ROAD FOREIGN TRADE POLICY  
**TAGS:** ECON, ETRD, PINT, CH  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006